

Message Text

LIMITED OFFICIAL USE

PAGE 01 PHNOM 06745 141355Z

47

ACTION EA-14

INFO OCT-01 EUR-25 ISO-00 CU-04 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SP-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-07

SS-20 STR-08 CEA-02 DODE-00 PM-07 L-03 H-03 PA-04

PRS-01 USIA-15 DRC-01 /191 W
----- 012592

R 141206Z MAY 74

FM AMEMBASSY PHNOM PENH

TO SECSTATE WASHDC 6111

INFO AMEMBASSY BANGKOK

CINCPAC

COMUSSAG

AMEMBASSY PARIS

AMEMBASSY SAIGON

AMEMBASSY VIENTIANE

LIMITED OFFICIAL USE PHNOM PENH 6745

E.O.11652: N/A

TAGS: PINT EGEN CB

SUBJECT: PRIME MINISTER ANNOUNCES STEPS TO EASE ECONOMIC PRESSURES
ON CIVIL SERVANTS AND TEACHERS

REF: A. PHNOM PENH 6624

B. PHNOM PENH 6699

1. SUMMARY: PRIME MINISTER LONG BORET ANNOUNCED MAY 13
THAT THE GKR WOULD TAKE OVER THE TRANSPORTATION AND ENSURE
THE SALE OF BASIC FOODSTUFFS AND CHARCOAL TO CIVIL SERVANTS
AND TEACHERS. WITH OTHER MINOR MEASURES, THIS STEP IS
DESIGNED TO DEFUSE A GROWING TEACHER-STUDENT ACTIVISM BASED
ESSENTIALLY ON ECONOMIC GRIEVANCES. IT IS THE CARROT TO
COMPLEMENT THE STICK OF SPECIAL SECURITY PRECAUTIONS THAT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PHNOM 06745 141355Z

DEFENSE MINISTER THAPPANA NGINN ANNOUNCED YESTERDAY.

END SUMMARY.

2. PRIME MINISTER LONG BORET TOLD 5,000 CIVIL SERVANTS TODAY ABOUT NEW GKR MEASURES TO EASE THE ECONOMIC PROBLEMS OF GOVERNMENT EMPLOYEES AND TEACHERS. FOLLOWING A REVIEW OF WHAT HE DESCRIBED AS SUCCESSES ON THE MILITARY AND DIPLOMATIC FRONTS, LONG BORET NOTED THAT THE COUNTRY'S ECONOMIC PROBLEMS ARE STILL GRAVE. HE ATTRIBUTED POOR GKR ECONOMIC PERFORMANCE IN LARGE PART TO AN INADEQUATE AND INEFFICIENT ADMINISTRATION INHERITED FROM THE PROTECTORATE PHASE AND URGED CIVIL SERVANTS TO CONTRIBUTE SUGGESTIONS FOR FORMING A MORE DYNAMIC ADMINISTRATIVE MACHINE.

3. MOVING TO MORE IMMEDIATE MATTERS, THE PRIME MINISTER DECLARED THAT, BEGINNING MAY 15, THE GOVERNMENT WILL TAKE OVER DISTRIBUTION TO THE MILITARY AND CIVIL SERVANTS, INCLUDING TEACHERS, OF EIGHT BASIC PRODUCTS, RICE, SUGAR, ATALT, BEEF, PORK, DRIED AND SMOKED FISH, OCEAN FISH AND CHARCOAL. HE URGED MINISTRIES TO RE-ANIMATE THEIR CONSUMER COOPERATIVES TO HANDLE THE SALES, AND PUT FORMER MINISTER OF AGRICULTURE SOR SONG IN OVERALL CHARGE OF THE EFFORT. LONG BORET NOTED THAT BEFORE THE FALL OF KOMPONG LUONG THE GKR HAD ARRANGED TO RECEIVE AMERICAN ASSISTANCE TO RENT BARGES FOR THE TRANSPORT OF FOODSTUFFS DOWN THE TONLE SAP RIVER; NOW A TRANSPORTATION COMMITTEE UNDER AIR CAMMBODGE PRESIDENT UNG KRAPUM PHKAR IS TAKING STEPS TO ARRANGE FOR THE AIR SHIPMENT OF NECESSITIES.

4. TO CYNICAL CHUCKLES, THE PM SAID THE GOVERNMENT WOULD UNDERTAKE TO DRAFT STRICTER LAWS AGAINST CORRUPTION AND GAMBLING. HE ALSO PROMISED TO PUT MORE BUSES INTO THE PHNOM PENH MASS TRANSPORT NET. COMMENT: THIS MEASURE WILL DEFUSE SOME CRITICISM OF THE MAY 12 RISE IN GASOLINE PRICES (REF A) BY ALLOWING THE GOVERNMENT TO POINT TO A CONCRETE STEP WHICH IT HAS TAKEN TO ASSIST "COMMUTERS" HARD HIT BY THE 48 PERCENT PRICE RISE.

5. FINALLY, LONG BORET NOTED THAT TAX REVENUE IS INSUFFICIENT AND SAID THAT EXPERTS WILL BE NEEDED TO ASSIST DRAFTING NEW LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PHNOM 06745 141355Z

FINANCIAL LAWS.

6. COMMENT: LONG BORET'S MEASURES DIRECTLY ATTACK SOME OF THE VERY REAL ECONOMIC GRIEVANCES BEHIND THE RENEWAL OF STUDENT-TEACHERS ACTIVISM AND GENERAL PUBLIC DISCONTENT OVER THE ECONOMIC SITUATION. THE MEASURES FORM THE CARROT TO COMPLEMENT THE STICK OF SPECIAL SECURITY PRECAUTIONS THAT DEFENSE MINISTER THAPPANA NGINN ANNOUNCED YESTERDAY (REF B).

THE GKR, HOWEVER, WILL NEED TO TAKE FURTHER ECONOMIC STEPS
TO DAMPEN INFLATION FUELED ACTIVISM AND DISCONTENT.
DEAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, INFLATION, ECONOMIC CONDITIONS, SALES, COMMODITIES, NATIONAL SECURITY, PRICES, FOODS, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PHNOM06745
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740118-0358
From: PHNOM PENH
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740549/aaaabros.tel
Line Count: 118
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. PHNOM PENH 6624
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 24 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 APR 2002 by kelleyw0>; APPROVED <14 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRIME MINISTER ANNOUNCES STEPS TO EASE ECONOMIC PRESSURES ON CIVIL SERVANTS AND TEACHERS
TAGS: PINT, EGEN, CB, (LONG BORET)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005